

Equipment Agreement

The Pacific Northwest National Laboratory (PNNL) is a government owned contractor operated facility. While the majority of equipment currently utilized in the management and operation of the laboratory is government owned, the current contractor is also utilizing privately owned equipment. The DOE and the current contractor have entered into an Equipment Purchase Agreement under which the Government has agreed to purchase, and the current contractor has agreed to sell, the privately owned equipment currently being utilized at PNNL in order to make it available to future contractors involved with the management and operation of PNNL. The government has agreed to pay net book value for the equipment and to accept the equipment "as is and where is". The transactions associated with the Equipment Agreement will take place on the last day of the transition period with transfer of title being effective at 12:00 am on the next day after closing.

In addition to the equipment covered under the agreement discussed above, PNNL is also utilizing a research airplane owned by the current contractor. DOE and the current contractor have signed an "Agreement in Principle Regarding Lease of Airplane." Through this proposed Lease, DOE intends to make this airplane available for future PNNL use. The parties intend that the lease agreement will become effective on the day after completion of the transition period for the new contract.